

## **California's Department of General Services Uses WebGen Systems To Cut Energy Costs and Conserve Energy**

### **WebGen IUE System Installation Complete in DGS Buildings Across California**

**Cambridge, Mass., (December 23, 2002)** – WebGen Systems, Inc., today announced that the California Department of General Services has completed installation of and begun to reduce energy costs and improve energy efficiency using WebGen's neural network-based, energy management system. WebGen's Intelligent Use of Energy (IUE)<sup>™</sup> system has been installed in a variety of department-managed facilities throughout the state as part of a comprehensive energy-saving program designed to proactively monitor, control and optimize energy use in its buildings.

The predictive energy management system, Intelligent Use of Energy (IUE), combined with other energy-saving measures implemented by the Department of General Services (DGS), has led to more than a 20 percent reduction in energy use in a number of the state's facilities. Currently, IUE is automatically regulating and controlling energy usage, in real-time, in buildings comprising more than 4 million square feet of space. Plans to expand or modify the program will be addressed in a final report being developed by DGS at the end of the pilot program next year.

"Many organizations struggle to cope with rising energy costs and the need to reduce or curtail energy loads. WebGen is able to help them solve their energy conservation challenges quickly and cost-effectively by reducing energy consumption and creating savings," said David R. Weaver, chairman and CEO of WebGen Systems, Inc. "We are very pleased to have been able to help DGS reach their impressive conservation goals with our Intelligent Use of Energy System."

In 2000/2001, California experienced a well-publicized energy crisis, leading to rolling blackouts, skyrocketing energy costs and an energy shortage. This situation forced the State of California to implement a large-scale energy savings program, including statewide conservation measures. Among the many elements of that program were more efficient building operation initiatives and implementing direct control of building operation systems. As part of that effort, DGS brought in WebGen under a two year program - ending in October 2003 - to help develop an intelligent conservation strategy that would allow the State to automatically regulate and control energy usage, in real-time, without disrupting business operations or comfort.

The DGS reviewed a number of energy management solutions before selecting WebGen. Many of the solutions assessed were passive systems that did not give the State the ability to automatically control and optimize energy use. WebGen's IUE System reached the furthest in terms of proactive energy management.

Prior to implementing WebGen's IUE System, many DGS buildings were without a comprehensive energy management system, making actual, sustainable conservation challenging at best. Through WebGen's IUE, DGS now has the ability to monitor, optimize and control its energy use in real-time, thereby reducing energy consumption, saving valuable state resources, and leading the way for the state's conservation efforts.

In addition to aggressive conservation efforts, DGS had the challenge of ensuring that tenant comfort levels were maintained in all of the buildings under its control. With tenants at locations

such as the State Supreme Court and the Attorney General's Office, it was imperative that comfort levels be maintained consistently in all buildings. WebGen's IUE System provides the means to achieve energy savings while staying within the climate parameters set by DGS.

WebGen's Intelligent Use of Energy system monitors, forecasts, and controls energy consumption, in real-time, over the Internet. IUE provides building owners and managers an automated energy management solution that reduces energy costs and improves energy efficiency while maintaining desired service levels and increasing energy efficiency. Employing sophisticated, artificial intelligence working through neural networks, IUE learns energy consumption patterns throughout the enterprise and executes smart conservation strategies aimed at reducing energy costs in real-time. IUE leverages the Internet to link disparate buildings into an efficient energy management network. The automated system reliably delivers permanent load reduction, peak load avoidance and curtailment services. Using IUE, customers significantly reduce energy costs, create important revenue opportunities, and are environmentally responsible. Depending on building type and location, WebGen customers can expect gross savings of 20 percent or more on overall energy expenditures.

WebGen Systems' IUE is currently installed in more than 185 buildings totaling more than 35 million square feet. Other representative customers include: Bank of America (NYSE:BAC), the University of Miami, and Hobbs Brook Management LLC.

#### **About the Department of General Services**

The Department of General Services consists of six divisions, 23 operational offices, 4,000 employees and a budget in excess of half a billion dollars. Its diverse functions include e-commerce and telecommunications; siting, acquisition, development, leasing, disposal and management of state properties; architectural approval of local schools and other state-responsibility buildings; printing services provided by the second largest government printing plant in the U.S.; procurement of supplies needed by other state agencies; and maintenance of the vast fleet of state vehicles.

#### **About WebGen Systems, Inc.**

Headquartered in Cambridge, Mass., WebGen Systems, Inc. is the provider of the first predictive, proactive energy management system - Intelligent Use of Energy (IUE)<sup>TM</sup>. WebGen's solutions regulate and control energy usage, in real-time, and reduce energy costs while maintaining service levels and building efficiency. WebGen's solutions have been installed in over 185 buildings and more than 35 million square feet, including, the California DGS, serving entities such as Bank of America (NYSE:BAC) and the University of Miami. Additional information can be found on the company's website: [www.webgensystems.com](http://www.webgensystems.com)

Intelligent Use of Energy and IUE are registered marks of WebGen Systems, Inc., Inc. All other product and company names mentioned are the property of their respective owners and are mentioned for identification purposes only.

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